

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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B/E AEROSPACE, INC.,

Petitioner,

v.

MAG AEROSPACE INDUSTRIES, LLC,

Patent Owner.

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Cases<sup>1</sup>

IPR2014-01510 (Patent 6,353,942 B1)

IPR2014-01511 (Patent 6,536,054 B2)

IPR2014-01513 (Patent 6,536,055 B2)

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Before JAMESON LEE, JOSIAH C. COCKS, and  
PHILLIP J. KAUFFMAN, *Administrative Patent Judges.*

KAUFFMAN, *Administrative Patent Judge.*

*Conduct of the Proceeding*  
37 C.F.R. § 42.5

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<sup>1</sup> This order addresses issues raised in all three cases. We exercise our discretion to issue one order to be filed in each case. The parties, however, are not authorized to use this style heading in subsequent papers.

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IPR2014-01513 (Patent 6,536,055 B2)

On January 13, 2015, a conference call was conducted between respective counsel for the parties and Judges Lee, Cocks, and Kauffman. Petitioner, B/E Aerospace, Inc., was represented by counsel, Ben Haber. Patent Owner, Mag Industries, LLC, was represented by counsel, John C. Alemanni and David Reed. A court reporter was present and counsel indicated a copy of the transcript would be placed in the file.

The purpose of the call was to discuss Petitioner's assertion that exhibit 2002 of each of the proceedings should be expunged and references to the exhibit in each of the Preliminary Responses<sup>2</sup> should be removed because exhibit 2002 is new testimony evidence submitted in violation of 37 C.F.R. § 42.107(c). Patent Owner contends that evidence was created for related litigation and therefore is not "new" under 37 C.F.R. § 42.107(c).<sup>3</sup>

The Petition was filed on September 16, 2014. Paper 1. Exhibit 2002, is dated November 4, 2014, and was filed on January 2, 2015, along with the Patent Owner's Preliminary Response (Paper 12). Based upon representations by counsel on the call, it is uncontested that Exhibit 2002 was created for related litigation according to the schedule for that litigation. *See also* Ex. 2002, ¶ 2 (indicating the report was provided in connection with litigation). In sum, exhibit 2002 was created after the filing of the Petition, and was created for related litigation rather than for these *inter partes* reviews.

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<sup>2</sup> IPR2014-01510, paper 12; IPR2014-01511, Paper 14; IPR2014-01513, Paper 12.

<sup>3</sup> Based on this belief, Patent Owner did not seek authorization from the Board prior to the filing of the Preliminary Response.

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Exhibit 2002, a 111 page document titled “Rebuttal Expert Report of Alan Anderson,” is the opinion of Alan Anderson with regard to the patents at issue in the subject *inter partes* reviews on the following matters:

- the field of art pertinent to U.S. Patent Nos. 6,353,942 (the “942 Patent”), 6,536,055 (the “055 Patent”), 6,536,054 (the “054 Patent”) (the “Patents at Suit”) and the level of ordinary skill in that field of art as of November 2000;
- how a person of ordinary skill in the art of the Patents at Suit understands the contents of various patents and other references that were publicly available before November 20, 2000;
- whether any of those documents or other references—alone or in combination with the general knowledge of a person of ordinary skill in the art—disclose each and every element of any of the Asserted Claims of the Patents at Suit;
- whether any of the Asserted Claims of the Patents at Suit would have been obvious to a person of ordinary skill in the art as of November 16, 2000, in light of any of the combinations of references that I considered; and
- whether any of the Asserted Claims of the Patents at Suit are invalid due to enablement or lack of written description or indefiniteness.

Ex. 2002 ¶ 3.

A patent owner’s preliminary response may include evidence (37 C.F.R. § 42.107(a)), but “shall not present new testimony evidence beyond that already of record, except as authorized by the Board” (37 C.F.R.

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§ 42.107(c)). In particular, expert witness testimony on patentability is an example of new testimony evidence that is not allowed in a patent owner preliminary response. *See* CHANGES TO IMPLEMENT INTER PARTES REVIEW PROCEEDINGS, POST-GRANT REVIEW PROCEEDINGS, AND TRANSITIONAL PROGRAM FOR COVERED BUSINESS METHOD PATENTS, 37 C.F.R. Part 42, Final Rule, 77 Fed. Reg. 48,680-48,732, 48,689 (Aug. 14, 2012) (discussion regarding 37 C.F.R. § 42.107(c)); *see also Id.* at 48,701-702 (comments 50, 51, and 53 and responses) (indicating that generally a patent owner submits testimonial evidence in the response rather than the preliminary response).

Here, Exhibit 2002 is expert witness testimony on patentability prepared after filing of the Petition, and therefore is new testimony evidence that may not be presented in a patent owner's preliminary response. We recognize that the Board has held that testimony evidence created for related litigation is not "new" under 37 C.F.R. § 42.107(c). *Anova Food, LLC., v. Leo Sandau and William Kowalski*, Case IPR2013-00114, slip op. at 2-3 (PTAB June 25, 2013) (Paper 11). However, that case is distinguishable from the case at hand in that the exhibit at issue in *Anova Food* (Ex. 2009) was not testimony regarding patentability of any claim under review in that proceeding. Further, the Board has held that testimony created after the filing of the petition and for other than the proceeding at hand, such as that created for related litigation, is "new" testimony evidence under 37 C.F.R. § 42.107(c). *See e.g. FLIR Sys., Inc. v. Leak Surveys, Inc.*, Case IPR2014-00434, slip op. at 33-34 (PTAB Sept. 5, 2014) (Paper 8); *C&D Zodiac, Inc., v. B/E Aerospace, Inc.*, Case IPR2014-00727, slip op. at 18-19, (PTAB Oct. 29, 2014) (Paper 15); *see also Amneal Pharmaceuticals, LLC v. Endo*

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*Pharmaceuticals, Inc.*, Case IPR2014-01365, slip op. at 2-3 (PTAB Nov. 14, 2014) (Paper 11) (similarly holding that testimony evidence created for another *inter partes* review is “new”).

New testimonial evidence, such as exhibit 2002 may be permitted where a patent owner demonstrates such evidence would be in the interests of justice, for example, when the testimonial evidence is offered to address issues relating to a petitioner’s standing. Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756-48,773, 48,764 (Aug. 14, 2012). Here, exhibit 2002 does not relate to Petitioner’s standing, but rather directly addresses patentability. Patent Owner has not persuaded us that authorization of exhibit 2002, and the corresponding arguments in the Preliminary Response, would be in the interests of justice.

#### Order

It is hereby ORDERED that Exhibit 2002 of each proceeding and associated arguments in the Preliminary Response of each proceeding will not be considered in the determination of whether to institute *inter partes* review.

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